

REMARKS

This paper is responsive to the March 10, 2006, Office Action. Applicant respectfully requests reconsideration of the claims and allowance of the application in view of the following remarks.

Election of Claims

Applicant affirms the election of Claims 1-10. Claims 11-27 have been canceled without prejudice. New Claims 28-37 have been added to recite system features that correspond to the method features of Claims 1-10.

Claim Rejections – 35 U.S.C. 112

Claims 1-10 were rejected under 35 U.S.C. 112, second paragraph, as being indefinite. Applicant requests reconsideration of the claim rejections. The claims are definite and meet the requirements of Section 112, particularly when the specification as a whole is considered.

The Examiner requested clarification of the term "representing an order" as recited in Claim 1. Both the internal and external markets referred to in the present application facilitate an exchange between a plurality of market participants. When an order is posted at a market, the order is made available to one or more of the market participants for execution. An order is thus represented in the markets and can be acted upon in accordance with the rules of engagement specified by the markets. See, e.g., page 11, lines 19-29, of the present application which describes, in part, an example of representing an order at multiple markets (order umpire 30 and external exchange 80) using a mirror ELF (electronic liquidity finder) program 50.

The Examiner requested clarification of the term "synchronizing operation" as recited in Claim 2, and by dependence, Claims 3-4. Applicant submits that this claim terminology is sufficiently clear, particularly in view of the description provided in the specification. See, e.g., page 25, lines 18-21, of the present application. Nevertheless, Claim 2 has been amended to

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recite "synchronizing performance of an operation at the internal market and the external market." One aspect of such synchronization is described, for example, at page 6, lines 18-30.

Clarification was sought with respect to the term "reflecting a transaction" as recited in Claim 3. This claim terminology is believed to be sufficiently clear. See, e.g., page 25, lines 18-21. Nevertheless, Claim 3 has been amended to recite "causing a transaction performed in one of the internal and external markets to be performed in the other of the internal and external markets, the transaction being an operation to cancel or post an order."

Clarification was sought with respect to the term "reflecting an execute operation" as recited in Claim 4. As with Claim 3, this claim terminology is sufficiently clear, particularly in view of the description provided in the specification. See, e.g., page 25, lines 18-23, of the present application. Nevertheless, Claim 4 has been amended to recite "causing an execute operation performed in one of the internal and external markets to cause a cancel operation to be performed in the other of the internal and external markets."

The Examiner requested clarification of the element "receiving confirmation from the other of the internal and external markets" as recited in Claim 5. Applicant has amended Claim 5 to recite "receiving confirmation from the other of the internal and external markets that the operation has been communicated to the other of the internal and external markets."

Further, the Examiner requested clarification of the element "coupling the internal and external markets" as recited in Claim 6, and by dependence, Claims 7-9. Applicant has amended Claim 6 to recite "providing a mechanism for coupling the internal and external markets such that only one of the internal and external markets maintains the order for execution by a market participant at either of the internal market or the external market." See e.g., page 25, lines 24-26 for one example of "coupling the internal and external markets."

As to Claim 7, and by dependence, Claim 8, the Examiner requested clarification of the terms "fast symbol mode" and "fast symbol market." Claim 7 has been amended to recite "wherein when one of the internal and external markets is in fast symbol mode, the other of the internal and external markets operates as a router to route orders to the market in fast symbol mode without posting the order at the other of the internal and external markets." The element of "fast symbol mode" is discussed extensively throughout the present application. See, e.g., page 11, line 30, to page 12, line 6, of the present application. See also, page 25, lines 24-26, and page 75, line 25 to page 76, line 2. Claim terms are to be read in light of the specification. However, applicant also notes it is not necessary to import limitations from the specification as the claim term "fast symbol mode" is sufficiently definite under Section 112, second paragraph. The term "fast symbol market" has been rewritten as "market in fast symbol mode," which also meets the requirements of Section 112.

With respect to Claim 9, the Examiner requested clarification of the term "decoupling" and "resynchronizing the internal and external markets." Claim 9 has been amended to recite "resynchronizing an order book containing orders at each of the internal and external markets before decoupling the internal and external markets, wherein the markets, once decoupled, are capable to separately facilitate an exchange between market participants." See, e.g., page 11, lines 25-29; page 12, lines 11-14; and page 26, lines 4-7. See also Figures 56 and 57, and the corresponding description of "sync books" and "update book" operations in the application.

Lastly, as to Claim 10, the Examiner requested clarification of the term "platform process." Claim 10 has been amended to recite "wherein the automatically ensuring uses a software process executing on a computer platform that communicates between the internal market and the external market." See e.g., page 4, line 19 to page 5, line 6.

In view of the foregoing, applicant submits that all of the claims are definite and meet the requirements of Section 112, second paragraph. For additional understanding of selected features and aspects of the present application, applicant suggests review of the specification, at least at following passages, some of which have been cited above:

page 5, lines 10-26;

page 6, line 6 to page 7, line 22;

page 11, line 18 to page 13, line 6;

page 25, line 13 to page 26, line 7;

page 74, line 27 to page 79, line 31; and

page 111, line 11 to page 113, line 7.

Claim Rejections – 35 U.S.C. 102

Claims 1-6 and 10 were rejected as being anticipated by Jain et al (US 6,343,278) (hereinafter referred to as "Jain"). Applicant respectfully disagrees and requests reconsideration of the claims. With respect to Claim 1, Jain does not teach or suggest the element of "automatically causing an order to be simultaneously represented in both the internal market and an external market, wherein the internal and external markets each have a plurality of market participants and separately facilitate an exchange between the market participants," nor does Jain teach "automatically ensuring the order is executable by a market participant in at most one of the internal market and the external market." Jain teaches, at most, a single market in which a market trader can submit a group of orders. Individual traders participating in the single market are not properly considered as constituting an internal market and external market, as claimed. The feature of Jain in which aspects of related orders in the group are automatically modified (i.e., reduced) is not applicable to the present application. The present application concerns

automated synchronization of orders that are represented in multiple markets. Claim 1 is not anticipated by Jain and should thus be allowed.

Claims 2-6 and 10, which depend either directly or indirectly from Claim 1, are allowable over Jain for the same reasons as Claim 1. Moreover, Claims 2-6 and 10 present subject matter that is additionally allowable over Jain, including:

- automatically synchronizing performance of an operation at the internal market and the external market (Claim 2);
- automatically synchronizing includes causing a transaction performed in one of the internal and external markets to be performed in the other of the internal and external markets, the transaction being an operation to cancel or post an order (Claim 3)
- automatically synchronizing includes causing an execute operation performed in one of the internal and external markets to cause a cancel operation to be performed in the other of the internal and external markets (Claim 4);
- conditionally performing an operation in one of the internal and external markets, and committing the conditional operation after receiving confirmation from the other of the internal and external markets that the operation has been communicated to the other of the internal and external markets (Claim 5);
- providing a mechanism for coupling the internal and external markets such that only one of the internal and external markets maintains the order for execution by a market participant at either of the internal market or the external market (Claim 6); and

- wherein the automatically ensuring uses a software process executing on a computer platform that communicates between the internal market and the external market (Claim 10).

Applicant requests reconsideration and allowance of Claims 2-6 and 10.

Claim Rejections – 35 U.S.C. 103

Claims 7-9 were rejected as being unpatentable over Jain and Official Notice taken by the Examiner. As an initial matter, applicant submits that Claims 7-9, which depend indirectly from Claim 1, are allowable over Jain for the same reasons as Claim 1.

Without conceding the propriety of the Official Notice taken by the Examiner, applicant respectfully submits that official notice of "executing orders in a market with short latencies" (Office Action, page 6) is insufficient to cure the deficiencies of Jain and does not support an obviousness rejection of Claim 7-9. More precisely, such Official Notice, whether or not combined with Jain, does not teach the elements recited in Claims 7-9, which include:

- wherein when one of the internal and external markets is in fast symbol mode, the other of the internal and external markets operates as a router to route orders to the market in fast symbol mode without posting the order at the other of the internal and external markets (Claim 7);
- wherein an order can be executed at only the market in fast symbol mode (Claim 8); and
- resynchronizing an order book containing orders at each of the internal and external markets before decoupling the internal and external markets, wherein the markets, once decoupled, are capable to separately facilitate an exchange between market participants (Claim 9).

Claims 7-9 are allowable over the cited art for the additional subject matter they present.

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New Claims 28-37

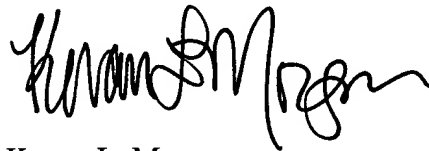
Claims 28-37 have been added to the application to recite system features that correspond to the method features of Claims 1-10. Claim 28-37 are allowable over the prior art for reasons similar to those presented above with respect to Claims 1-10.

CONCLUSION

Applicant requests further examination and allowance of Claims 1-10 and 28-37. Should the Examiner identify any issues needing resolution prior to allowance, the Examiner is invited to contact the undersigned counsel by telephone.

Respectfully submitted,

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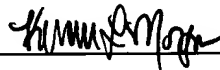


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